

CLASSIFICATION RESTRICTED  
 SECURITY INFORMATION  
 CENTRAL INTELLIGENCE AGENCY  
 INFORMATION FROM  
 FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

CD NO.

STAT

COUNTRY China  
 SUBJECT Economic - Water conservancy  
 HOW PUBLISHED Daily newspapers  
 WHERE PUBLISHED Hong Kong; China; New York  
 DATE PUBLISHED 2 Feb - 10 Apr 1952  
 LANGUAGE Chinese

DATE OF INFORMATION 1952

DATE DIST. 26 May 1952

NO. OF PAGES 4

SUPPLEMENT TO REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF ESPIONAGE ACT 50 U. S. C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

SOURCE Newspapers as indicated.

REPORTS PROGRESS ON HUAI HO CONSERVANCY PROGRAM;  
OUTLINES KWANGTUNG WATER CONSERVATION PLANS

The planned objective of the Huai Ho Conservancy Commission for 1952, the second year of its program, is 200 million cubic meters of earthwork and masonry. Of this amount, 72 million cubic meters was accomplished by the end of January 1952.

After Chinese New Year, work has resumed by approximately 2 million laborers, about half of whom are working on projects in Anhwei, a large number on the northern Kiangsu irrigation canals, and about 90,000 on Honan projects. The 1952 work program has recently been hindered by several periods of inclement weather.

Work has started on the Fo-Tzu-ling Reservoir on the P'i Ho, in Ho-shan Hsien, Anhwei, with the construction of a hollow-core dam 530-meters long and 70-meters high. It is to have a storage capacity of 470 million cubic meters, permitting the development of over 1,000 kilowatts of electric energy and the irrigation of 500,000 mou of farm land.

Flood prevention and irrigation projects in Kwangtung in 1952 are to receive from the Central People's Government financial assistance to the extent of 48 billion yuan. These projects are expected to protect 4,390,000 mou of land from inundation and assure increased rice production.

It is alleged in the "three-anti" and "five-anti" movements that a dishonest businessman has sabotaged the Huai Ho conservancy work.

- 1 -

CLASSIFICATION		<u>RESTRICTED</u>		DISTRIBUTION									
STATE	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	NSRB									
ARMY	<input checked="" type="checkbox"/>	AIR	<input checked="" type="checkbox"/>	FBI									

RESTRICTED

STAT

NEW YEAR'S RESPITE IN HUAI HO CONSERVANCY WORK -- Shanghai, Chien-fang Jih-pao, 2 Feb 52

Pang-fou, 31 January (Hsin-hua) -- Due to the approach of the old Chinese New Year, field work has been temporarily suspended on the second-year stage of the Huai Ho conservancy projects, except on a portion of the reservoir locks and sluice gates. The first period (winter period) began in November 1951; the second period is expected to get under way in mid-February 1952. During the first period, an aggregate of 72 million cubic meters of earthwork and masonry have been accomplished, which is one third of the total of 200 million cubic meters of work scheduled for the second-years stage, not counting an equal amount of work to be done by the peasant masses on their own fields. The degree of accomplishment of work during the past 2 months is regarded as quite satisfactory.

In Honan, altogether, the work has included over 9 million cubic meters of earthwork, 46,000 cubic meters of masonry, and 8,000 cubic meters of concrete work. The outlet conduit and the overflow spillway for the Pan-ch'iao Reservoir are finished; and the 46.5-meter high, 1,200-meter long earth fill dam is half done. The outlet conduit for the Pai-sha Reservoir will be finished shortly, and its 23.5-meter high and 1,700-meter long earth fill dam is half done.

In northern Anhwei, in connection with the conditioning of more than ten tributary rivers, over 39 million cubic meters of earthwork had been completed.

In northern Kiangsu, 23 million cubic meters of earthwork has been completed on the Main Irrigation Canal. The admission control lock for this canal, situated at Kao-liang-chien, and the earthwork required in connection with the sluice gates in the east side embankment of the Grand Canal near Huai-an, are partially finished. Generally speaking, work has not yet started on the small-scale dikes and dams to be done by individual farmers on their own lands.

RESUMPTION OF HUAI HO WORK -- Hong Kong, Hsing-tao Jih-pao, 24 Mar 52

Peiping, 22 March -- Work on a large scale on the second (spring 1952) period of the second-year stage of the Huai Ho Conservancy projects was resumed about one month ago. At present, some 2 million laborers are at work on the more than 1,000 kilometers of dikes, rivers, and control structures, including the following: 90,000 at work on jobs in 13 hsien in Honan, besides several thousand engaged in related transportation services in and out of K'ai-feng and Cheng-chou; 800,000 on the irrigation canal projects in the Yen-ch'eng, Huai-yin, and T'ai-chou special administrative districts of northern Kiangsu; and nearly one million on the numerous projects in Su Hsien, Fou-yang, and other special districts in northern Anhwei.

The most important unfinished tasks which the vast army of skilled and unskilled laborers are attempting to accomplish before the flood season arrives, includes the following:

In Honan, complete the Pai-sha and Pan-ch'iao Reservoir projects, and condition the river channels, banks, and dikes, of the Hung Ho, the Ju Ho, and the Ying Ho. In Anhwei, build the mammoth Po-tzu-ling Reservoir on the upper reaches of the P'i Ho in Ho'shan Hsien, and condition the Hsi'fei Ho, the T'ao Ho, the Ch'ung Ho, the T'ung Ho, and others to the number of ten tributaries of the Huai Ho; in the localities downstream from Wu-ho-hsien, make the cuttings for the main channel of the Huai Ho and branch channel for the north side tributaries from the Su-hsien district; build the accessory control structures for the said channels; and develop the Sha-fou-hu and Meng-ho-wa as retention basins. In northern Kiangsu, push the digging of the Main Irrigation Canal.

- 2 -

RESTRICTED

RESTRICTED

STAT

Since the resumption of work, several periods of inclement weather have increased the difficulties and greatly hindered the progress of the work.

DESCRIBES FO-TZU-LING RESERVOIR -- Sian, Ch'un-chung Jih-pao, 12 Feb 52

Pang-fou -- After nearly a year spent in engineering preparations, more than 5,000 engineers, skilled workmen, and unskilled laborers have been assembled at Pang-fou to begin the construction of the Fo-tzu-ling Reservoir on the P'i Ho. This river, a large tributary on the south side, flows into the Huai Ho near Cheng-yang-kuan. This reservoir will be one of the largest in the whole Huai Ho conservancy area, having a storage capacity of 470 million cubic meters. It will be located in the southern part of Ho-shan Hsien, in northern Anhwei.

The main engineering feature of this project will be the construction of a reinforced concrete hollow-core dam, 530-meters long and 70-meters high, connecting two rows of hills. After exhaustive consideration of five types of dams, this modern type was selected as most suitable because it is the only type that offers sufficient resistance to the effects of earthquake shocks which occasionally occur in this region.

By holding this immense volume of water, not only will the seriousness of flood conditions in the Huai Ho be lessened, but also the water will be available for the irrigation of some 500,000 mou of farm land. Furthermore, in the discharge of this water, from 1,300 to 2,000 kilowatts of electric energy may be developed, and the water will render navigable, for wooden boats of 50 tons burden, 90 kilometers of the middle and lower reaches of the P'i Ho between Heng-p'ai-t'ou and Ying-ho-chi.

Materials such as pine timbers, cement, reinforcing steel rods, oil, equipment, and food supplies are being transported to the work site from such places as Mongolia, the Northeast, Tsingtao, Tainan, Shanghai, and Nanking.

KWANGTUNG TO GET 48 BILLION YUAN FOR WATER CONSERVANCY -- New York, Hua-ch'iao Jih-pao, 10 Apr 52

Hong Kong, 3 April -- According to information received from Canton, 48 billion yuan have been appropriated by the Central People's Government to assist Kwangtung to carry out, in the spring of 1952, large-scale flood prevention and irrigation projects. This amount is more than double the total amount spent for these purposes in 1950 and 1951 together.

Earthwork, aggregating 9,950,000 cubic meters, and 140,000 cubic meters of masonry are involved. Of this 50 percent, was accomplished by the end of February 1952. Most of the remainder is expected to be finished before the arrival of the flood season. Thus, 4,390,000 mou of cultivated land will be protected from inundation. This will make possible the production of 152 million catties of rice more than if the land suffered inundation. A large number of below-surface watergates are to be constructed.

MERCHANT ACCUSED OF SABOTAGE OF HUAI HO CONSERVANCY -- Shanghai, Chieh-fang Jih-pao, 23 Feb 52

Corrupt merchants are deliberately making use of the Huai Ho conservancy projects as opportunities for illicit private profit in a degree seriously detrimental to the success of these great public works and to the welfare of the more than 50 million people in the affected regions.

- 3 -

RESTRICTED

RESTRICTED

STAT

In March 1951, Sun Ying-ts'ai, manager of the Li-sheng Company of Tsinan, Shantung, learning from an inside party that the Conservancy Commission needed instruments for meteorological and hydrographic measurements and records as a basis for engineering planning, submitted in Pang-fou samples of new first-class instruments. On the basis of these samples, preliminary contracts for the purchase of a large quantity of instruments was made later in Tsinan by an assistant engineering cadre named Chao Tsu-i.

Sun claimed that the instruments to be supplied were being manufactured in Tientsin and in the Northeast, and would be delivered shortly. During the interval of waiting, Sun heaped all kinds of corrupt blandishments upon Chao, and after bribing Chao to the extent of 2 million yuan, slipped in with the good standard instruments, a number of defective secondhand instruments bought in Tientsin.

In October 1951, the commission again had to buy a quantity of instruments for scientific measurements and sent Cadres Kao Sheng-ch'i and Chen Chin-lin to Tsinan to arrange the purchase. There they were introduced by Chao to Sun of the Li-sheng Company who corrupted these cadres and indulged in unrestrained fraud against heaven, the government, and the people.

According to calculations, in deals totaling one billion yuan, Sun, by substituting inferior instruments for good ones, made a profit of 380 million yuan, and caused a loss to the government of over 450 million yuan. Worse than this, due to the defective instruments, the accuracy and reliability of the observations and measurements made at some 150 meteorological and hydrographic stations in the Huai Ho Basin, have been impaired and their value for planning purposes largely destroyed. Hence, the work of the staffs in the observation stations has been wasted. Furthermore, the projects for 1952 could not be carried out according to engineering plans based upon inaccurate and unreliable data, and thus the losses entailed are simply incalculable.

The actions of Sun, in conspiring with the Conservancy Commission cadres, Chao, Chen, Kao, and others, to defraud the government, included the establishment in Pang-fou of a branch office of the Li-sheng Company. This office had entree through the cadres to the inner councils of the commission. Such actions are exactly what the "three-anti" and "five-anti" movements are designed to combat.

Sun, anticipating trouble, not only refused to come forward in Tsinan with a frank and full confession but sneaked down to Pang-fou for a session with his fellow conspirators. There he said to them, "Do not confess, to do so will not do you any good. As for me, they might close my shop; but what about you, your wife, and children? Who will support them? I also will not confess. If, as is most unlikely, you are unable to avoid being brought to book, then admit only the acceptance of a commission of entertainment at feasts and in bathhouses, and such small matters. As to the establishment of a branch office in Pang-fou and the receipt of bribes, on no account mention such things."

In this conference they also decided upon a course of future action and assigned duties, as follows: Kao Sheng-ch'i was to be responsible for smoothing matters over with their superiors and subordinates; Chao Tsu-i was to keep himself and associates posted on developments, and to get the families of accomplices to return to their native places prior to the culprits' flight to avoid arrest and harsh handling.

No matter how sinister and artful these dishonest businessmen may be, in the end, they will never escape the hands of the people. To protect the rights of the more than 50 million people in the Huai Ho Basin, the people's government has arrested the crook, Sun, and his fellow conspirators who refused to confess, and will deal with them strictly according to law. -- Liu Ch'un

- E N D -

- 4 -

RESTRICTED